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TEP

Tucson Electric Power
88 East Broadway Blvd., P.O Box 711
Tucson, Arizona 85702

August 4, 2016

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

Re: Notice of Filing – Joint Comments of Tucson Electric Power Company and UNS Electric, Inc. In the Matter of *The Commissions Ninth Biennial Transmission Assessment ("BTA")*, pursuant to A.R.S 40-360.02G, *Of The Adequacy Of Existing And Planned Transmission Facilities To Meet Arizona's Energy Needs In A Reliable Manner*
Docket No. E-00000D-15-0001

Pursuant to the Commission's August 3, 2016 request for comments in the above-referenced docket, Tucson Electric Power Company and UNS Electric, Inc. hereby submit the attached Joint Comments as discussed at the BTA workshop held on August 3, 2016

If you have any questions or comments, please contact me at (520) 884-3680.

Sincerely,

Melissa Morales
Regulatory Services

cc: Kent R. Simer, Project Manager (email)
Zachary Branum, Staff Engineer (email)

Arizona Corporation Commission

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TEP/UNSE Comments on Draft II of the 9th BTA Report
Docket No. E-00000D-15-0001
August 3, 2016

1. Page vii (and Page 79), Recommendations, 1.e.
 - a. The suspension of the requirements for (1) TEP to file the SWAT CRATF report on behalf of the Arizona utilities within 30 days of completion, and (2) for the Arizona utilities to jointly produce or procure an informational report to identify minimum transmission requirements to maintain adequate system reliability in a fifth year coal reduction scenario. Utilities shall participate in West Connect Regional Planning process and coordinate the Arizona reliability study with West Connect study and scenario results, and TEP will report and file relevant findings on behalf of the utilities in future BTA proceedings.
2. Page 4, Section 1.3.1, Table 1
 - a. Change "UniSource Electric" to "UNS Electric"
 - i. Change "UNS Electric" to "UNSE" in the remainder of the document
 - ii. Change "UniSource Electric" to "UNSE" in the remainder of the document
 - b. There is a discrepancy in "Other Related Topics of Interest". There were two presentations; one by TEP and the other by WAPA. Recommend that section of Table 1 – Summary of Workshop I Presentations be:
 - i. CRATF Study Report and Alignment with EPA Clean Power Plan Planning, Tucson Electric Power ("TEP")
 - ii. Western Area Power Administration Transmission Infrastructure Program (TIP), Western Area Power Administration ("WAPA")
3. Page 24, Section 3.3.4, Paragraph 2
 - a. Change "The APS and TEP analyses were performed using 2016 and 2025 summer peak load models which reflected the filed ten year project plans." to "The APS analysis was performed using 2016 and 2025 summer peak load models and the TEP analysis was performed using 2016 and 2024 summer peak load models, each reflecting the filed ten year plan projects."
4. Page 52, Section 5.1.1.6
 - a. "The Coal Reduction Assessment Task Force ("CRATF") was formed in February 2013 at the initiative of the SWAT stakeholders for the purpose of assessing the reliability impacts of anticipated as well as hypothetical coal retirements in the southwest. In the Eighth BTA, the CRATF reported on the first phase of a reliability study and was ordered in Decision 74785 to file the results of the study within 30 days of completion. Currently being led by Tucson Electric Power, the ultimate goal is to evaluate the impacts from reduced availability of coal generation within the scope and timeline of the WestConnect Regional Study Plan. Progress on the ~~CRATF~~ coal reduction study is discussed in Section 5.4.1. of this report."
 - i. Above change is to be consistent with the suspension of the requirement for TEP to file the SWAT CRATF report
5. Page 63, Table 16
 - a. Change table title to "WestConnect Power Flow Base Cases and Scenario Cases Summary"
6. Page 63, Table 17

- a. Change table title to "WestConnect Production Cost Model Base Case and Scenario Case Summary"
- 7. Page 64, Section 5.4.1, Last Paragraph of this Section
 - a. The WestConnect Utility Plan scenario became the template for other WestConnect subregional planning groups and states to use for their inclusion in the WestConnect Study Plan. The Study Plan is currently in the Model Development phase of the WestConnect 2016-2017 planning cycle and the data, base cases, and initial study results are expected to be available by mid-2017. Once the study results are completed, the Arizona utilities ~~CRATF~~ will reconvene ~~CRATF~~ to outline next steps and deliverables pending WestConnect evaluation of alternatives to identify transmission needs and will report relevant findings in future BTA proceedings.
 - i. Above change is to be consistent with the suspension of the requirement for TEP to file the SWAT ~~CRATF~~ report.
- 8. Page 66, Section 5.4.3, Last Paragraph of this Section
- 9. The Arizona transmission system was designed to accommodate the large coal generation fleet that is geographically distant from the load centers. The integration of renewable energy projects and the simultaneous reduction of coal resources is likely to have an impact on the operation of the transmission grid. The loss of system inertia and dynamic reactive capability, as well as changes in power flows, pose significant risks and updates should continue to be filed in the BTA process. Overall, Staff and KRSA feel that the work, that WestConnect and ~~CRATF~~ the Arizona utilities are investigating as well as other industry planning activities, are critical to transmission system reliability. This is an issue that the Commission and Commission Staff should follow closely and which the utilities should report their findings to the Commission.
 - a. Above change is to be consistent with the suspension of the requirement for TEP to file the SWAT ~~CRATF~~ report